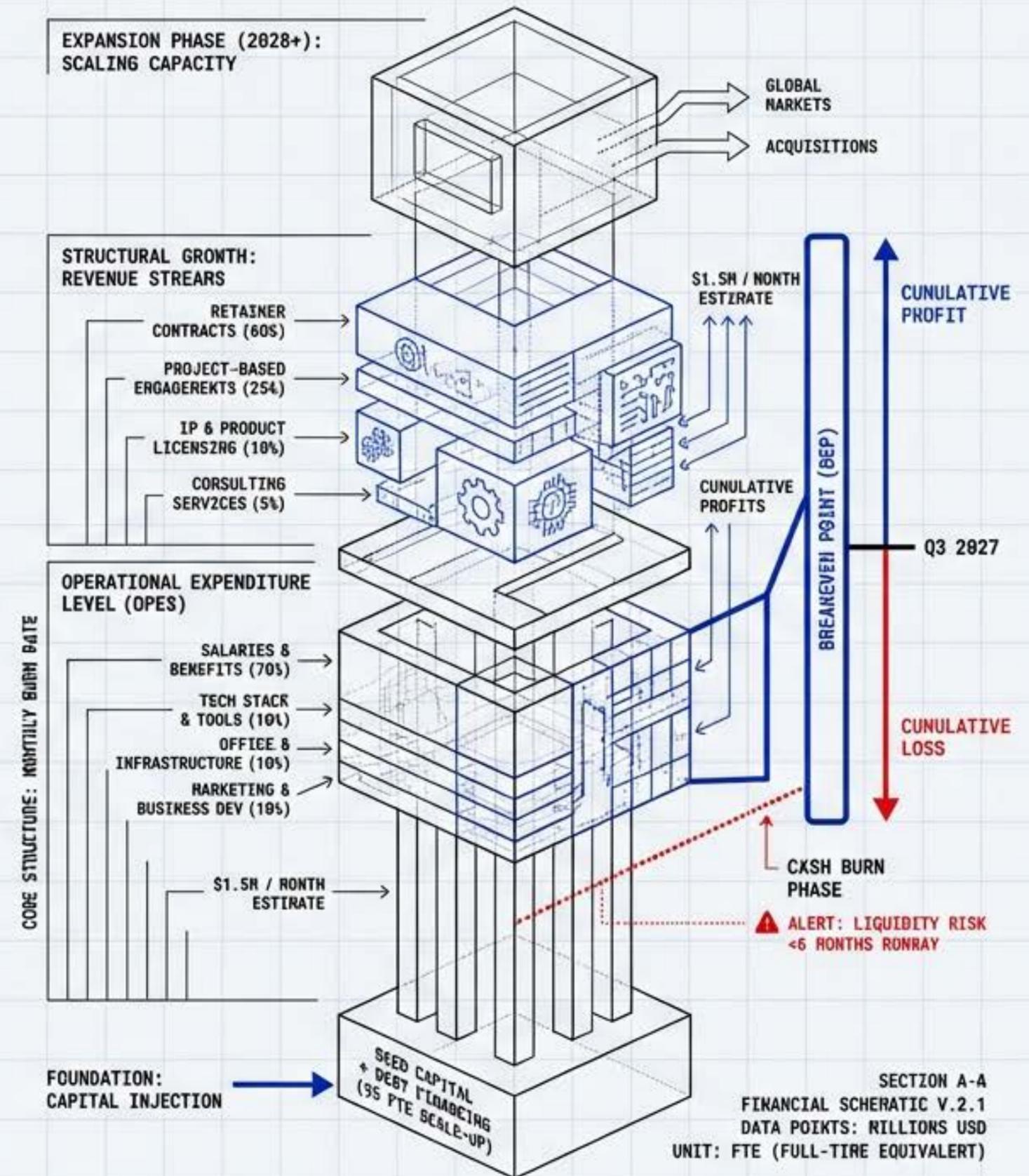


The Financial Blueprint: Launching a Creative Agency (2026 Model)

Capital Requirements, Burn Rates, and Breakeven Timelines.

A BASIS: 35 FTE SCALE-UP MODEL | TARGET LAUNCH: 2026



The Cost of Survival vs. Scale

\$658,000

Total Cash Buffer Required

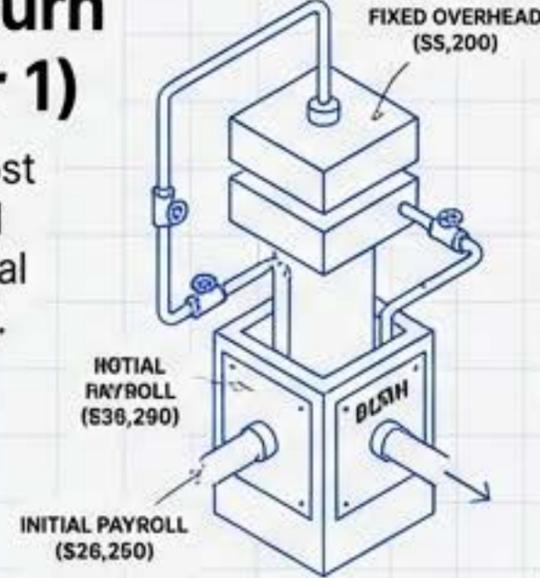
Minimum capital to sustain operations through the initial scale-up.

CAPITAL INFRASTRUCTURE

\$31,450

Monthly Burn Rate (Year 1)

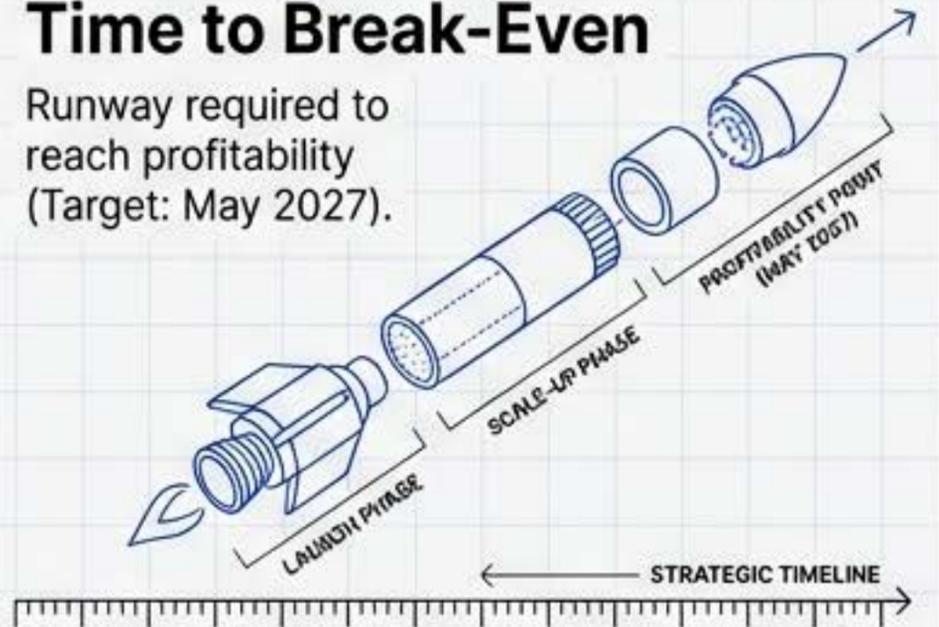
The combined cost of fixed overhead (\$5,200) and initial payroll (\$26,250).



17 Months

Time to Break-Even

Runway required to reach profitability (Target: May 2027).



The Burn Bar

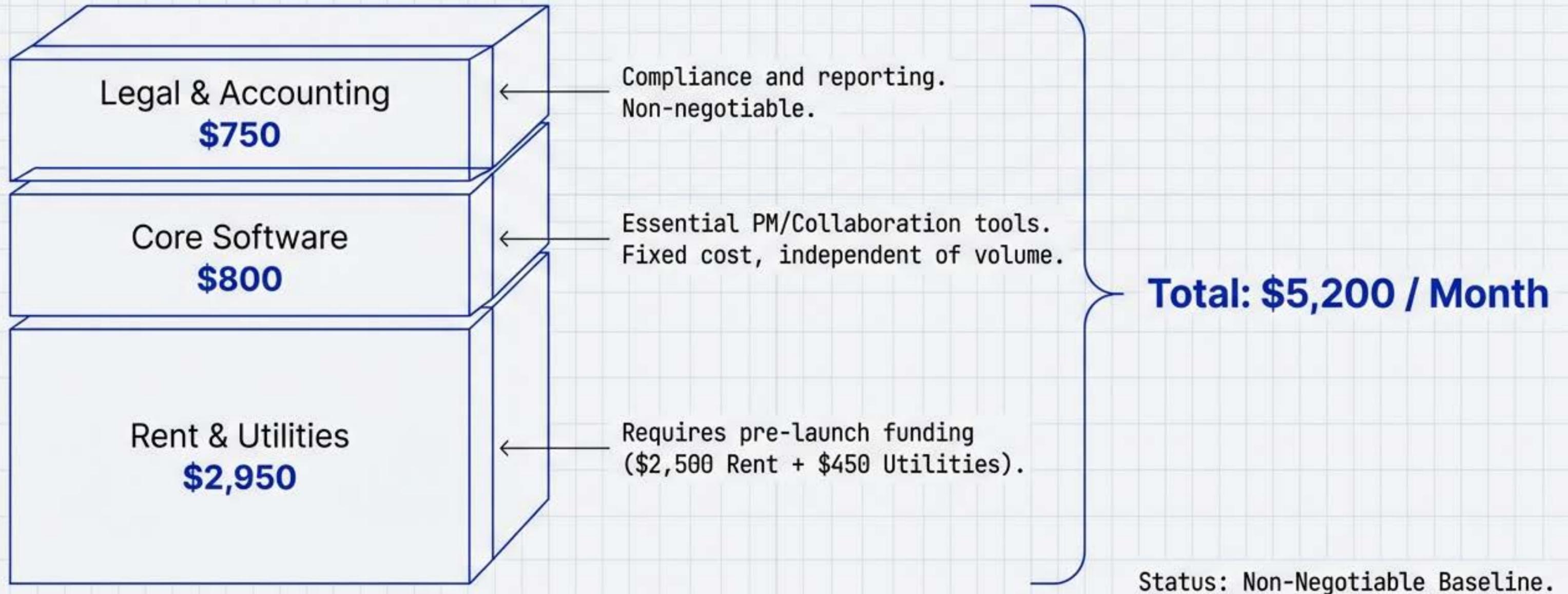
\$658k

Launch

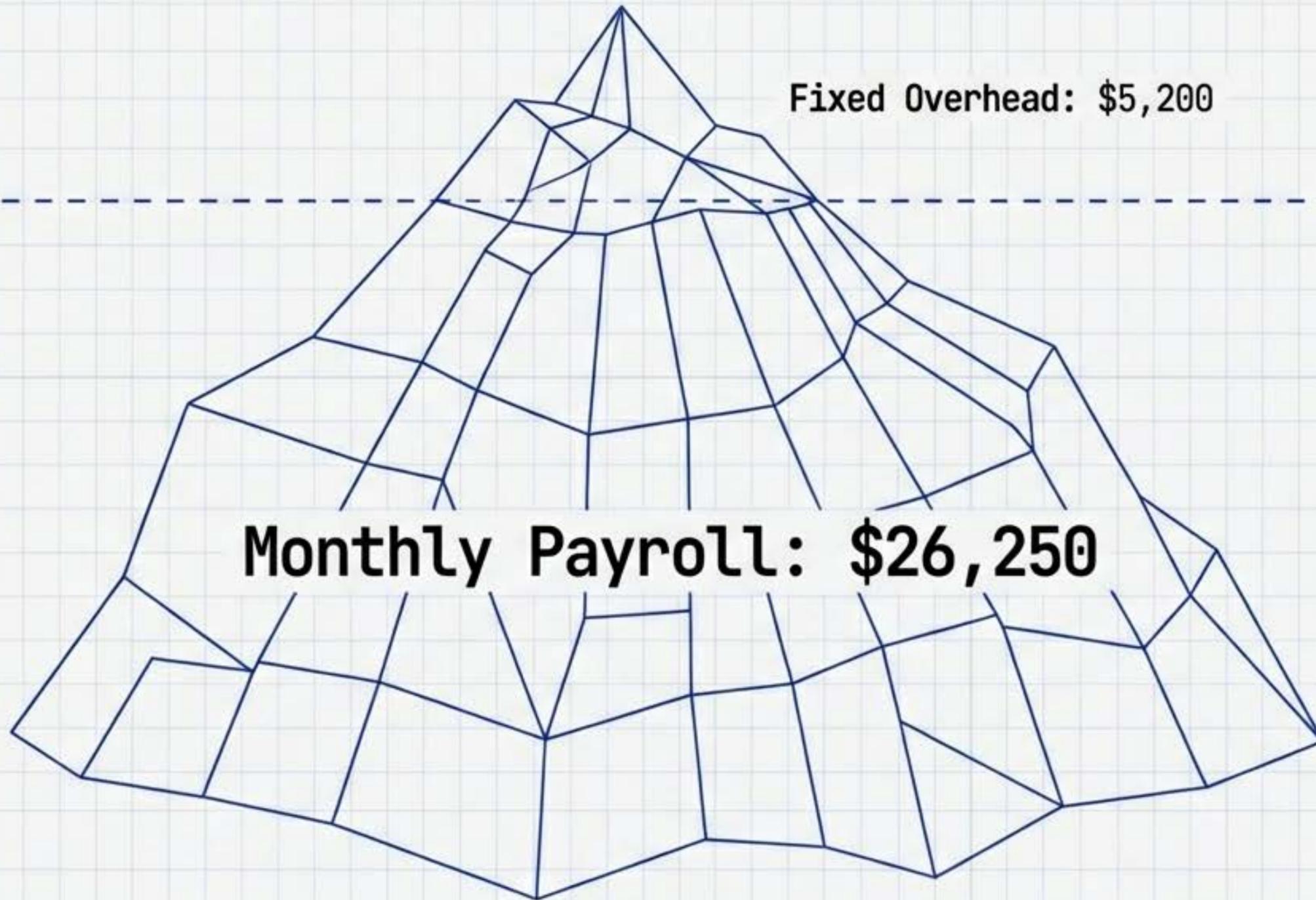
May 2027

The Monthly Floor: Fixed Overhead

Before payroll or projects, it costs \$5,200/month just to keep the lights on.



The Payroll Behemoth



Headcount: 35 FTEs
(Projected 2026 scale incl. leadership).

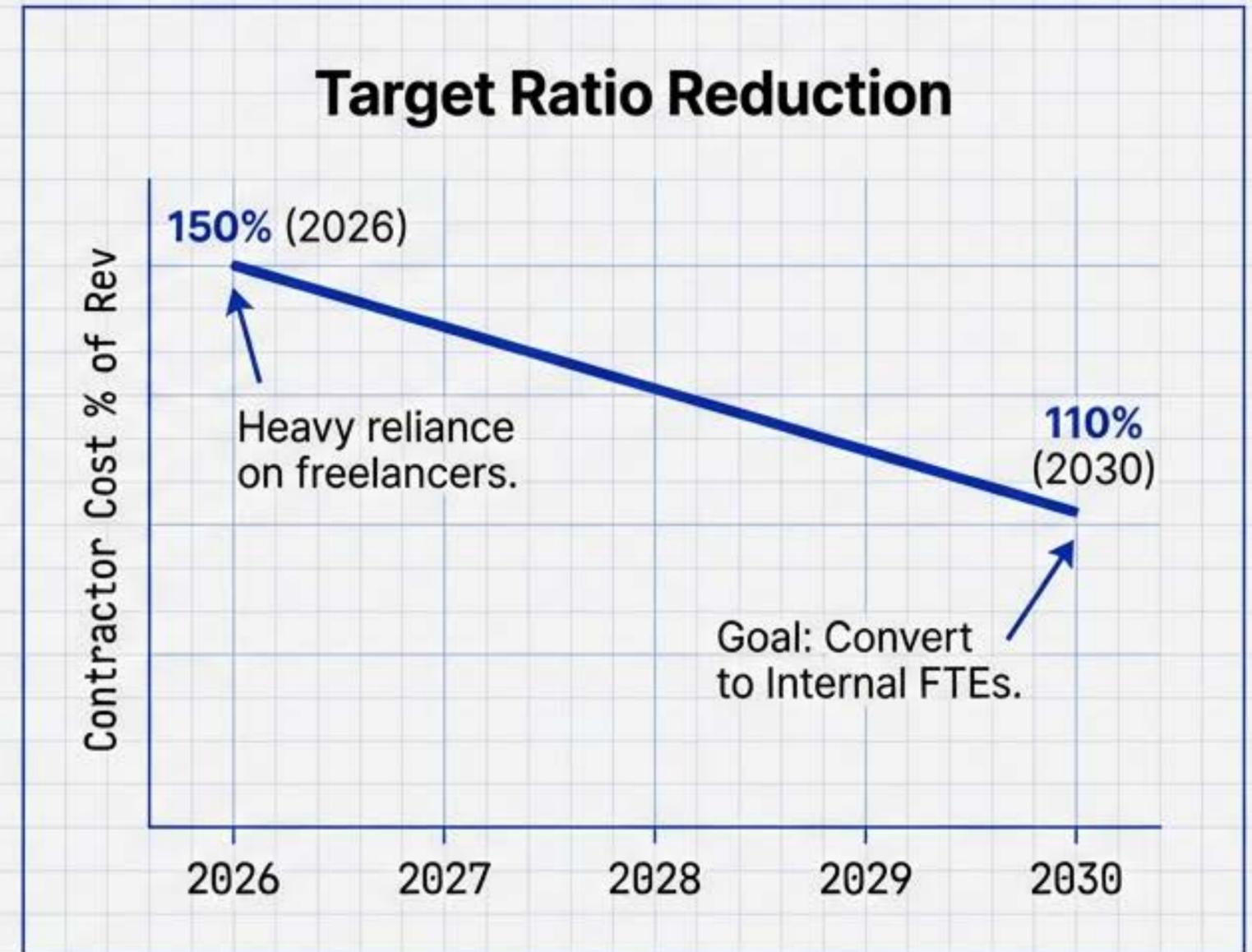
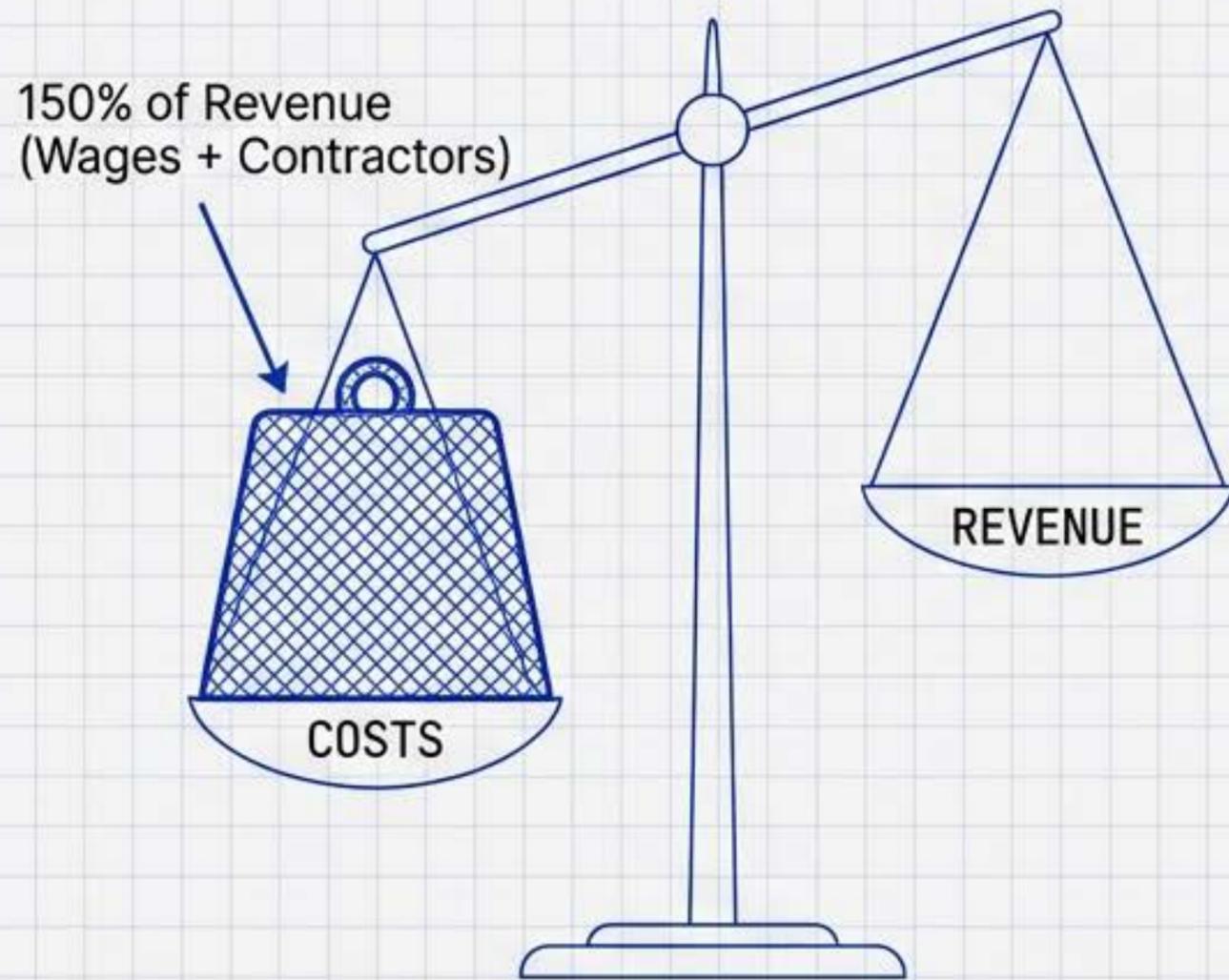
Cost Basis: Fully loaded
(Salaries + Taxes + Benefits).



The Utilization Trap:
Target 80%+ billable utilization.

RULE: Do not hire permanent staff until recurring revenue covers 1.5x the new monthly payroll burden.

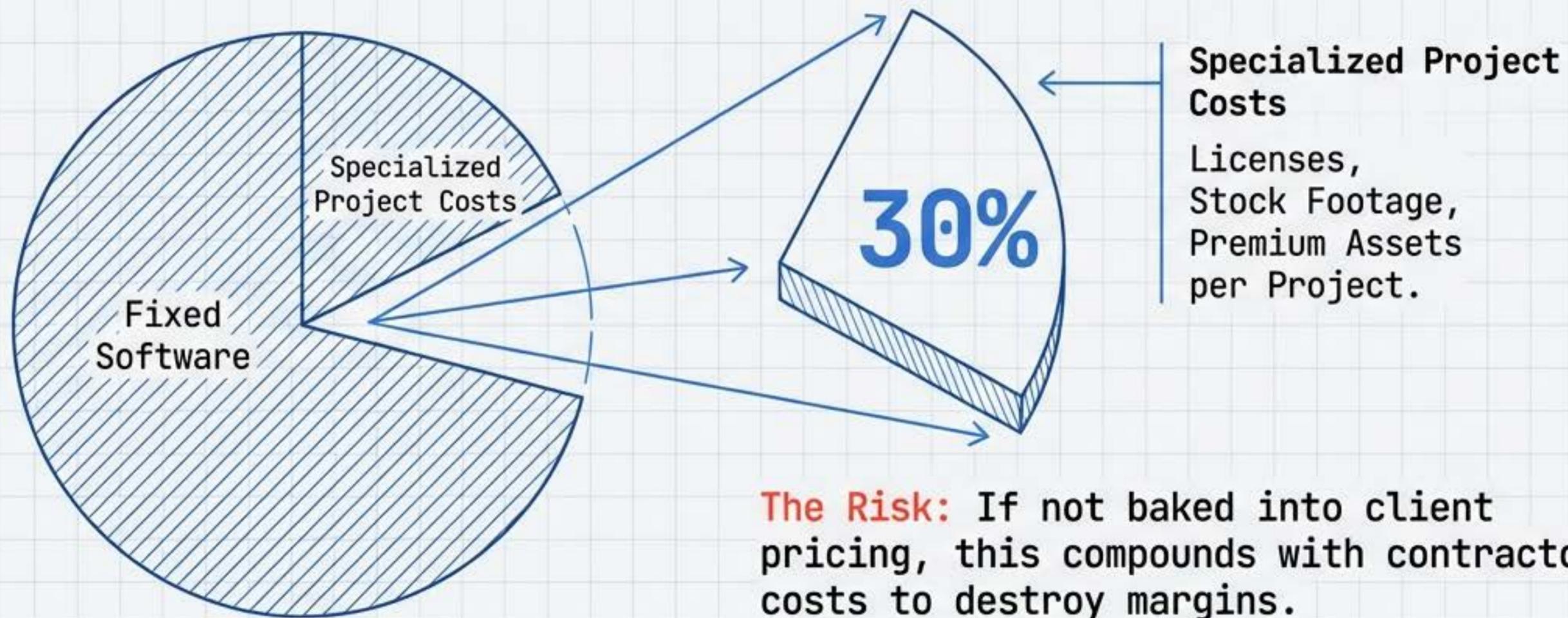
The "Upside Down" Margin: Contractor Costs



Action Item: Track contractor utilization daily. Prioritize converting key roles to internal by 2028.

The Hidden Cost of Production

Fixed Software (\$800) vs. Specialized Assets (30% of Revenue)



Mitigation Strategy:

1. Shift from per-project licensing to annual enterprise agreements.
2. Audit unused licenses quarterly.

Acquisition Economics

Annual Budget: \$15,000

CAC Target: \$500

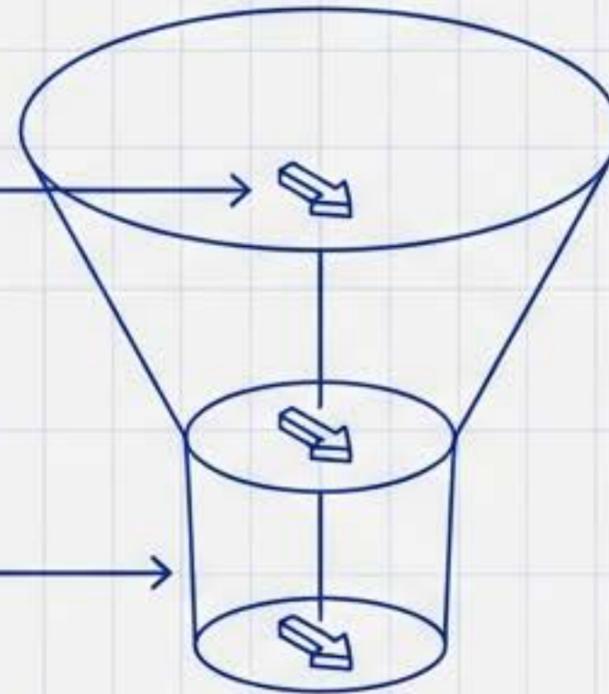
Year 1 Goal: 30 New Clients

Paid Ads / Cold Outreach

Current CAC: \$500

Referrals / Organic

2030 Target CAC: \$350



Financial Reality

Revenue must exceed \$10,000 to cover the marketing budget alone (based on 1.5x cost factor).

Key Rule

Focus on Lifetime Value (LTV) to justify the \$500 acquisition cost.

The 17-Month Trek to Break-Even

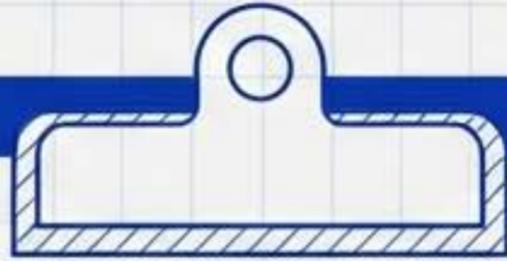
$$(\text{Fixed OpEx} - \text{Recurring Revenue}) \times 17 \text{ Months} = \text{Required Cash}$$



The \$658k must cover all hiring, software, and marketing through May 2027.

Crisis Protocol: Revenue -30%

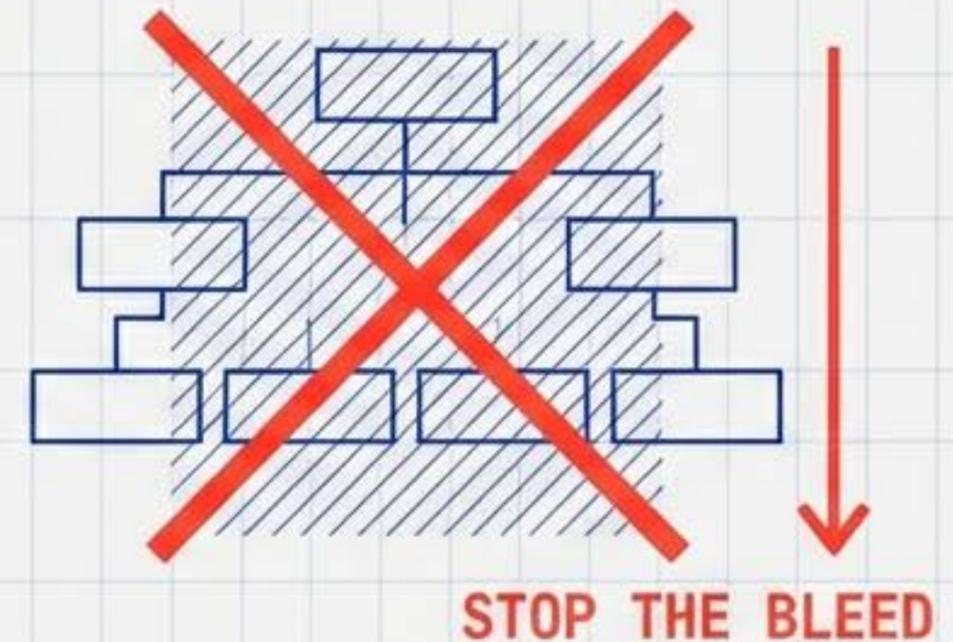
Scenario: If revenue tracks 30% below forecast, trigger these immediate levers.



- **FREEZE HIRING:** Stop all non-essential Marketing & Account Mgmt roles.
- **CUT PRO-DEVELOPMENT:** Defer training. Savings: **\$200/month** immediate.
- **REDUCE GROWTH:** Cut planned headcount growth by **0.5 FTE**.
- **AUDIT SUBSCRIPTIONS:** Cancel Q3 ad spend and non-critical tools.

Primary Lever:

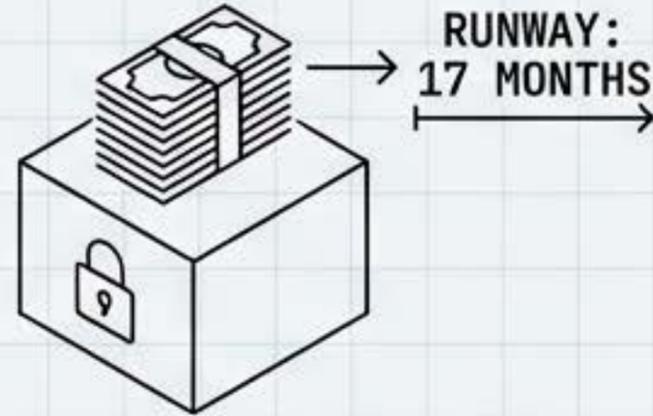
Look at the personnel line item first—it is the fastest way to stop the bleed.



The Rules of Engagement

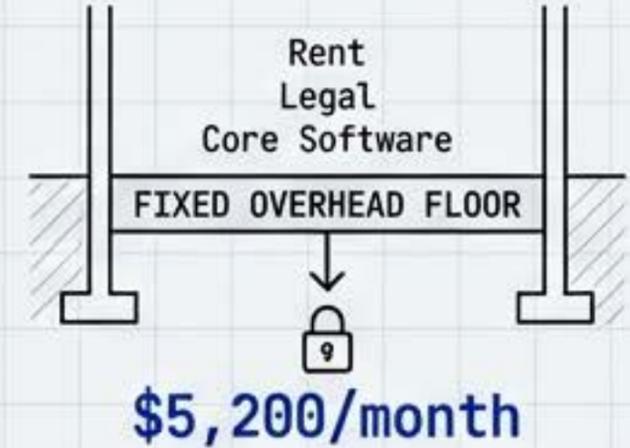
1 Secure the Buffer

\$658,000 upfront cash is non-negotiable for a 17-month runway.



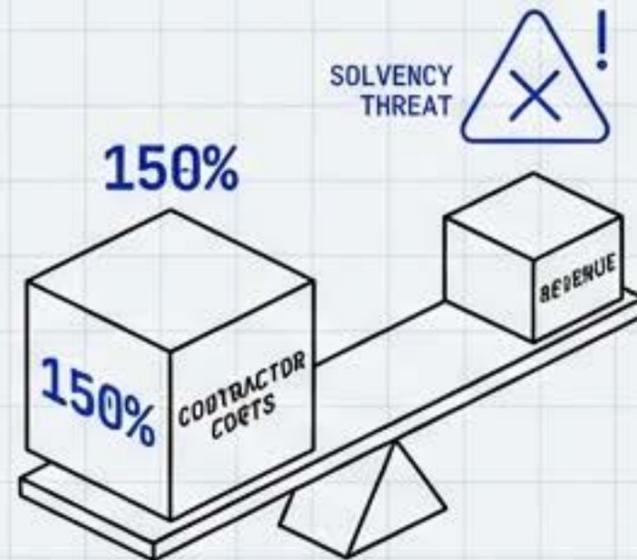
2 Respect the Floor

Keep fixed overheads locked at \$5,200/month (Rent + Legal + Core Software).



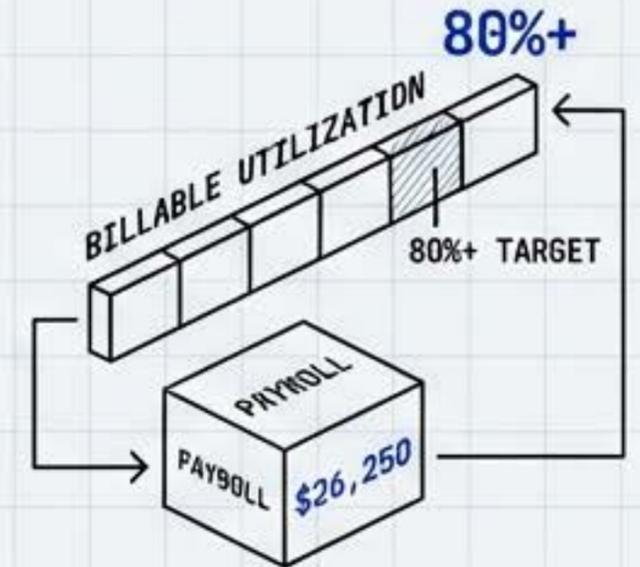
3 Watch the Ratio

Contractor costs at 150% of revenue is the primary threat to solvency.



4 Protect the Margin

Ensure 80%+ billable utilization to justify the \$26,250 payroll.



Profitability is not a hope; it is a calculated result of these four levers.